

**BACHELOR OF BUSINESS ADMINISTRATION
FIFTH SEMESTER [SPECIAL REPEAT]
INDIAN FINANCIAL SYSTEM
BBA – 503C**

**SET
A**

Duration: 3 hrs.

Full Marks: 70

Time: 30 mins.

Marks: 20

(Objective)

Choose the correct answer from the following:

1 × 20 = 20

1.allocates saving efficiently in an economy to ultimate users either for investment in real assets or for consumption.
 - a. Economic system
 - b. Banking system
 - c. Financial system
 - d. Market system
2. RBI started functioning on ----- .
 - a. 1-4-1935
 - b. 1-4-1948
 - c. 1-4-1882
 - d. 1-4-1945
3. Which of the following is not a regulatory institutions in Indian financial system?
 - a. RBI
 - b. CIBIL
 - c. SEBI
 - d. IRDA
4. To operate as NBFC in India, one has to take license from-
 - a. SEBI
 - b. RBI
 - c. MoF
 - d. FICCI
5. Money market deals withinstruments.
 - a. long term
 - b. medium term
 - c. short term
 - d. All of these.
6. The market for extremely short period loan is called.....
 - a. call money market
 - b. money at short notice
 - c. T-bill market
 - d. G-sec market
7.is a process of admitting securities for trading on a recognised stock exchange.
 - a. Registration
 - b. Filing
 - c. Listing
 - d. admission
8. Which of the following is a fee-based service?
 - a. hire purchase
 - b. Leasing
 - c. capital issue management
 - d. Underwriting.
9. Gold is.....asset
 - a. Financial asset
 - b. Non financial asset
 - c. Fictitious asset
 - d. Intangible asset

10. BOLT stands for-
- | | |
|-------------------------------|--------------------------|
| a. Borrowing or Lending Trade | b. Bombay Online Trading |
| c. Bond or Loan Tran | d. None of the above |
11. In depository system.....is a link between depository and the owner.
- | | |
|---------------------------|--------------------------------|
| a. Depository participant | b. Register and Transfer Agent |
| c. Issuer | d. Custodian. |
12. In financial circle, the name "Dalal Street" is used synonyms to.....
- | | |
|--------|-----------|
| a. BSE | b. NASDAQ |
| c. NSE | d. OTCEI |
13. A Non Banking Financial Institution-
- | | |
|--------------------------------|--|
| a. Can accept demand deposit | b. Can issue cheques to customers |
| c. Cannot accept fixed deposit | d. Cannot accept demand deposit and cannot issue cheques |
14. Which of the following is not a negotiable instrument?
- | | |
|--------|--------|
| a. ADR | b. GDR |
| c. FDR | d. IDR |
15. The RBI's increase in the cash reserve ratio (CRR) will result in:
- | | |
|---|--|
| a. Reduce the amount of money in circulation in the economy | b. Increase the economy's money supply |
| c. There will be no effect on the economy's money supply | d. Initially, boost the supply, but gradually reduce it. |
16. Which of these are not functions of the Reserve Bank of India?
- | | |
|----------------------|-------------------------------|
| a. Currency printing | b. Credit Controller |
| c. Coin distribution | d. Foreign currency custodian |
17. What is the definition of a commercial bank?
- | | |
|--|--|
| a. An organization that is founded outside of the government in most cases | b. A legal entity that represents a group of people |
| c. Only India has a certain type of company structure. | d. A bank that accepts deposits also provides account-checking services. |
18. What is the process by which commercial banks create money?
- | | |
|-------------------------------|---------------------------|
| a. Issue of Loans | b. Accepting New Deposits |
| c. Through Cash Reserve Ratio | d. Through Investing |
19. NBFC is a company registered under.....
- | | |
|----------------------------|----------------------------|
| a. The Indian Contract Act | b. The Companies Act, 1956 |
| c. The RBI Act | d. SEBI |
20. Which of the following combinations is correct?
- | | |
|--------------------------------|-------------------------------|
| a. NABARD --- Industrial Loan | b. RBI --- Long term Finance |
| c. RRB --- Agriculture Finance | d. IDBI --- Short Term Loans. |

(Descriptive)

Time : 2 Hr. 30 Mins.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

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|--|--------|
| 1. Write the meaning of financial system. What are the components of Indian Financial System? | 2+8=10 |
| 2. a) Discuss the role of financial system in the economic development of the country
b) Give a short note on monetary policy of RBI. | 5+5=10 |
| 3. Explain briefly about Narashimham Committee Report, 1991 and 1998. | 10 |
| 4. Explain the different financial indicators of financial system: IR, NIR, FIR, FR. | 10 |
| 5. a) Explain briefly the financial instruments traded in money market.
b) Explain the structure of money market. | 5+5=10 |
| 6. Discuss the role of NBFCs in the development of the country | 10 |
| 7. c) State the different fee-based and non-fee based financial services.
d) Elucidate the concept of NPA | 5+5=10 |
| 8. Define and state the differences between money market and capital market. | 10 |

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